

**STATE BOARD OF EQUALIZATION**  
**BEFORE THE ADMINISTRATIVE JUDGE**

IN RE:	William B. Swim	)	
	Dist. 1, Map 400, Group D Control Map 400,	)	Putnam County
	Parcel 7.00, S.I. 000	)	
	Residential Property	)	
	Tax Year 2006	)	

**INITIAL DECISION AND ORDER**

**Statement of the Case**

The subject property is presently valued as follows:

<u>LAND VALUE</u>	<u>IMPROVEMENT VALUE</u>	<u>TOTAL VALUE</u>	<u>ASSESSMENT</u>
\$45,000	\$27,300	\$72,300	\$18,075

An Appeal has been filed on behalf of the property owner with the State Board of Equalization on August 3, 2006.

This matter was reviewed by the undersigned administrative law judge pursuant to Tennessee Code Annotated (T.C.A.) §§ 67-5-1412, 67-5-1501 and 67-5-1505. This hearing was conducted on December 14, 2006, at the Cookeville DPA Office in Cookeville, Tennessee. Present at the hearing were Mr. William B. Smith, the taxpayer who represented himself, and Mr. Gary Maynard representative of Rhonda Chaffin, Assessor of Property for Putnam County.

**FINDINGS OF FACT AND CONCLUSIONS OF LAW**

Subject property consists of a single family residence, commonly known as 227 W. 7<sup>th</sup> Street located in Cookeville, Tennessee.

The taxpayer, Mr. Swim, contests the value of the land, he contends that the property should be valued at \$41,115. Mr. Swim believes the problem is that someone in the Assessors Office does not understand that the property is located in the University Zone not the Hospital Zone<sup>1</sup>. Mr. Swim produced, as part of his collective exhibit #1, a map that shows properties east of his lot have relatively low values, in the \$20,000 range, while properties west of his lot have a higher value in the \$40,000 range. This is due, he contends, to the zoning of the lots and their proximity to either the University or the Medical Center.

The assessor agrees that if the lot is determined to be in University zone rather than the Medical Services zone that the price is a "little out of whack". It appears that the

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<sup>1</sup> The south side of the 7<sup>th</sup> Street is zoned Medical Services while the North side is zoned University.



Hospital has been aggressively buying properties in this area for their planned future expansion which causes the prices in the area to vary widely.

The germane issue is the value of the property as of January 1, 2006.

The basis of valuation as stated in T.C.A. § 67-5-601(a) is that “[t]he value of all property shall be ascertained from the evidence of its sound, intrinsic and immediate value, for purposes of sale between a willing seller and a willing buyer without consideration of speculative values . . . .”

After having reviewed all the evidence in this case, the administrative judge finds that the subject property should be valued at \$54,200 based upon the presentation of the taxpayer. The proof showed that up until this year the property was zoned “University” and it is now “Medical” with no plausible explanation other than a key stroke entry error<sup>2</sup>. Since the County Representative agrees with the probability of the misinterpretation the administrative judge is persuaded that the zoning status is a controlling issue in this case and the values should be changed to reflect that.

Since the taxpayer is appealing from the determination of the Davidson County Board of Equalization, the burden of proof is on the taxpayer. See State Board of Equalization Rule 0600-1-.11(1) and *Big Fork Mining Company v. Tennessee Water Control Board*, 620 S.W. 2d 515 (Tenn. App. 1981). Mr. Swim has met that burden in this case.

ORDER

It is therefore ORDERED that the following value and assessment be adopted for tax year 2006:

<u>LAND VALUE</u>	<u>IMPROVEMENT VALUE</u>	<u>TOTAL VALUE</u>	<u>ASSESSMENT</u>
\$26,900	\$27,300	\$54,200	\$13,600

It is FURTHER ORDERED that any applicable hearing costs be assessed pursuant to Tenn. Code Ann. § 67-5-1501(d) and State Board of Equalization Rule 0600-1-.17.

Pursuant to the Uniform Administrative Procedures Act, Tenn. Code Ann. §§ 4-5-301—325, Tenn. Code Ann. § 67-5-1501, and the Rules of Contested Case Procedure of the State Board of Equalization, the parties are advised of the following remedies:

1. A party may appeal this decision and order to the Assessment Appeals Commission pursuant to Tenn. Code Ann. § 67-5-1501 and Rule 0600-1-.12 of the Contested Case Procedures of the State Board of Equalization. Tennessee Code Annotated § 67-5-1501(c) provides that an appeal **“must be filed within thirty (30) days from the date the**

<sup>2</sup> Refer to exhibit submitted by the taxpayer 2b which clearly shows that the property should properly be in the University zone.



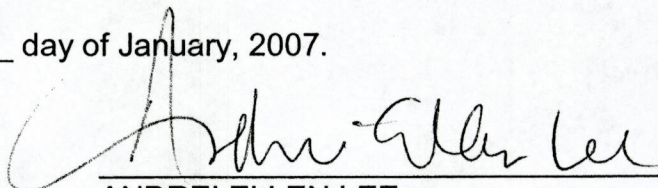
**initial decision is sent.”** Rule 0600-1-.12 of the Contested Case Procedures of the State Board of Equalization provides that the appeal be filed with the Executive Secretary of the State Board and that the appeal **“identify the allegedly erroneous finding(s) of fact and/or conclusion(s) of law in the initial order”**; or

2. A party may petition for reconsideration of this decision and order pursuant to Tenn. Code Ann. § 4-5-317 within fifteen (15) days of the entry of the order. The petition for reconsideration must state the specific grounds upon which relief is requested. The filing of a petition for reconsideration is not a prerequisite for seeking administrative or judicial review; or

3. A party may petition for a stay of effectiveness of this decision and order pursuant to Tenn. Code Ann. § 4-5-316 within seven (7) days of the entry of the order.

This order does not become final until an official certificate is issued by the Assessment Appeals Commission. Official certificates are normally issued seventy-five (75) days after the entry of the initial decision and order if no party has appealed.

ENTERED this 23rd day of January, 2007.



ANDREI ELLEN LEE  
ADMINISTRATIVE JUDGE  
TENNESSEE DEPARTMENT OF STATE  
ADMINISTRATIVE PROCEDURES DIVISION

c: Mr. William B. Swim  
Rhonda Chaffin, Assessor of Property